

§ 250.176

and interpreted geophysical information that:

(i) Indicates that all or a portion of a potential hydrocarbon-bearing formation lies below 25,000 feet TVD SS; and

(ii) Includes full 3-D depth migration over the entire lease area.

(3) Before requesting the suspension, you have conducted or are conducting additional data processing or interpretation of the geophysical information with the objective of identifying a potential hydrocarbon-bearing geologic structure or stratigraphic trap lying below 25,000 feet TVD SS.

(4) You demonstrate that additional time is necessary to:

(i) Complete current processing or interpretation of existing geophysical data or information;

(ii) Acquire, process, or interpret new geophysical or geological data or information that would affect the decision to drill the same geologic structure or stratigraphic trap, as determined by the Regional Supervisor, identified in paragraphs (c)(2) and (c)(3) of this section; or

(iii) Drill a well below 25,000 feet TVD SS into the geologic structure or stratigraphic trap identified as a result of the activities conducted in paragraphs (c)(2), (c)(3), and (c)(4)(i) and (ii) of this section.

§ 250.176 Does a suspension affect my royalty payment?

A directed suspension may affect the payment of rental or royalties for the lease as provided in 30 CFR 1218.154.

§ 250.177 What additional requirements may the Regional Supervisor order for a suspension?

If BSEE grants or directs a suspension under paragraph § 250.172(b), the Regional Supervisor may require you to:

(a) Conduct a site-specific study.

(1) The Regional Supervisor must approve or prescribe the scope for any site-specific study that you perform.

(2) The study must evaluate the cause of the hazard, the potential damage, and the available mitigation measures.

(3) You must pay for the study unless you request, and the Regional Super-

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visor agrees to arrange, payment by another party.

(4) You must furnish copies and results of the study to the Regional Supervisor.

(5) BSEE will make the results available to other interested parties and to the public.

(6) The Regional Supervisor will use the results of the study and any other information that becomes available:

(i) To decide if the suspension can be lifted; and

(ii) To determine any actions that you must take to mitigate or avoid any damage to the environment, life, or property.

(b) Submit a revised Exploration Plan (including any required mitigating measures);

(c) Submit a revised Development and Production Plan (including any required mitigating measures); or

(d) Submit a revised Development Operations Coordination Document according to 30 CFR part 550, subpart B.

PRIMARY LEASE REQUIREMENTS, LEASE TERM EXTENSIONS, AND LEASE CANCELLATIONS

§ 250.180 What am I required to do to keep my lease term in effect?

(a) If your lease is in its primary term:

(1) You must submit a report to the District Manager according to paragraphs (h) and (i) of this section whenever production begins initially, whenever production ceases during the last 180 days of the primary term, and whenever production resumes during the last 180 days of the primary term.

(2) Your lease expires at the end of its primary term unless you are conducting operations on your lease (see 30 CFR part 556). For purposes of this section, the term *operations* means, drilling, well-reworking, or production in paying quantities. The objective of the drilling or well-reworking must be to establish production in paying quantities on the lease.

(b) If you stop conducting operations during the last 180 days of your primary lease term, your lease will expire unless you either resume operations or receive an SOO or an SOP from the Regional Supervisor under § 250.172, § 250.173, § 250.174, or § 250.175 before the